CBIA CONNECTICUT
BUSINESS & INDUSTRY
ASSOCIATION

Testimony of Kia F. Murrell
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Before the Committee on Labor and Public Employees
Hartford, CT
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S.B. 180 AA Increasing Penalties on Employers for Refunds of Wages in Exchange for Furnishing Employment.

Good Afternoon Senator Prague, Representative Zalaski and other members of the Committee. My name is Kia Murrell and I am Associate Counsel at the Connecticut Business and Industry Association (CBIA). CBIA representing more than 10,000 companies throughout the state of Connecticut, but most of our members are small businesses of 50 or fewer employees.

CBIA generally opposes legislation which unnecessarily increases labor costs for Connecticut employers or that which limits their flexibility in managing their employees. We find SB 180 to do both so we oppose it.

SB 180 would amend the current law prohibiting employers from receiving refunds of wages from employees or prospective employees for furnishing a job or the promise of furnishing a job. It increases penalties on employers who violate the law from $100 to $2,500 for the first violation and $500 to $5,000 for subsequent violations.

The Penalties are Harsh and Unreasonable for Employers
CBIA has advised our members on their rights and obligations under state and federal human resources law for many years. To date, we have never heard of any employer engaging in the behavior described above. However, to the extent that the Department of Labor has, we believe that any penalties imposed on bad actors must not be so harsh that they become burdensome or unreasonable for other honest, law-abiding employers who are subjected to complaints under this provision. Increasing penalties on employers in this manner is tantamount to swatting a fly with a hammer and will further contribute to the Connecticut's image as an unfriendly place for businesses at a time when lawmakers have said that business growth and receptivity should be our top priority.

For all of these reasons, we oppose SB 180 and urge the Committee to reject it.